



## **Consultant for Energy & Environment Project Energy Efficiency and Renewable Energy**

### **A. Consultant Services Scope**

The Europe, Asia-Pacific, and Latin America Division of the MCC's Department of Compact Implementation are seeking an individual consultant (the "Consultant") to assist in implementation support and oversight of the Energy and Environment Project in Mongolia. The Government of Mongolia has established an implementation unit, MCA-Mongolia, for the purpose of implementing the Compact. MCC is responsible for support and oversight of MCA-Mongolia's implementation of the project. It is anticipated that MCA-Mongolia will hire one or more consultants to assist it in implementation of the program. The Consultant would review plans and deliverables and provide advice to MCC in the execution of its implementation support, oversight, and approval functions.

### **B. Background**

On January 23, 2003, the United States established the Millennium Challenge Corporation (MCC) to administer the Millennium Challenge Account, an innovative foreign assistance program designed to reduce poverty by promoting sustainable economic growth. MCC, a U.S. government corporation, is based on the principle that aid is most effective in countries that promote good governance, economic freedom, and investments in people. In October 2007, a \$285 million Compact was signed between the Government of Mongolia and the Millennium Challenge Corporation. The Compact provides grant funding to support a five-year Program to reduce poverty in Mongolia through economic growth through projects in Property Rights, Technical and Vocational Education, Health, and Rail. The Compact is being implemented through MCA-Mongolia, a legal entity responsible for overseeing and managing the implementation of the Compact. MCA-Mongolia reports to a Board of Directors and is supported by a Stakeholders' Committee. The Compact ends in September 2013.

More recently, the Rail Project was canceled and the Government of Mongolia submitted proposals for projects meant to replace the Rail Project. In December 2009, the MCC Board of Directors approved an amendment to the Compact to include expansions to the other existing projects, a Road Project, and the Energy and Environment Project.

### **C. Program and Project Overview**

The Energy & Environment Project is focused on a critical issue for many Mongolians: air quality. A significant factor in the deterioration of air quality is the heavy use by the city's poorest residents of cheap, low quality coal for heating and cooking, producing air pollutants at levels from two to ten times the international standards. In response, the Project creates a facility to fund the introduction of cleaner, more efficient technologies and supports the introduction of wind energy into the national grid.

The Energy & Environment Project consists of three activities: (i) the Millennium Challenge Energy Efficiency Innovation Facility (the "MCEEIF"), which provides consumer subsidies for the purchase of energy efficient technologies and homes; (ii) the wind power electricity generation activity (the "Wind

Activity”), which will provide an operational subsidy to the state-owned transmission company, critical infrastructure upgrades for the introduction of renewable energy into the national grid, and technical assistance for the establishment of a renewable energy fund; and (iii) a public awareness campaign, which will increase consumer awareness of renewable energy, energy efficiency, timeliness and availability of subsidies, and the identity of participating partners.

The MCEEIF will make available consumer subsidies for the purchase of energy efficient products and homes certified as meeting a set standard or otherwise demonstrating a superior efficiency over previous models and resulting in reducing emissions in a cost effective manner. The MCEEIF is meant to accommodate products resulting from testing and certification which will be forthcoming as well as new technologies currently unforeseen. The subsidies will be fixed per product or home, based on a market and economic analysis. Examples of products that could be supported include: stoves or ancillary stove appliances, insulation, mortgages for new energy efficient homes, heat only or low pressure boilers, solar thermal heating, and refurbishment of pre-cast panel buildings.

The Wind Activity includes: (i) an operating subsidy for each kilowatt-hour produced to be paid to the state-owned transmission company, via a renewable energy fund, to temporarily smooth the impact of the increased estimated cost of power from the wind farm; (ii) an upgrade to the nearest substation, an upgrade to the dispatching system software at the National Dispatching Center in Ulaanbaatar (the “NDC”) to accommodate power from variable sources, and a 22 km fiber optic cable between the substation and the NDC to connect the substation to the dispatching system (together, the “Network Upgrades”); and (iii) support for renewable energy sustainability by providing technical assistance for the establishment of a renewable energy fund.

The public awareness campaign will increase consumer awareness of renewable energy, energy efficiency, timeliness and availability of subsidies, and the identity of participating partners. This campaign is designed to increase consumer use of subsidized energy efficient technologies and houses.

#### **D. Consultant Tasks**

The tasks to be performed by the consultant include the following:

- 1) Review and assessment of quality and pace of implementation activities in accordance with project objectives
  - a. Testing
    - i. Review of project documents for feasibility and accordance with industry accepted protocols. Provide comments and recommendations for improvement.
    - ii. Review of test results for independence, reasonableness, and accordance with industry accepted protocols. Provide comments and recommendations for improvement.
  - b. Market Analysis
    - i. Review of project documents for feasibility and accordance with industry accepted protocols. Provide comments and recommendations for improvement.
    - ii. Review deliverables for reasonableness. Provide comments and recommendations for improvement.
  - c. Economic Analysis

- i. Review of assumptions and models for reasonableness and accordance with MCC's Guidelines for Economic Analysis. Provide comments and recommendations for improvement.
  - ii. Review deliverables for reasonableness. Provide comments and recommendations for improvement.
- d. Advice
  - i. Review project design and implementation plans and provide advice and guidance concerning appropriateness of project design and implementation plans to achieve objectives.
  - ii. Review plans and provide advice and guidance concerning reasonable levels of financial incentives necessary to accelerate targeted consumer adoption of energy efficient technologies.
  - iii. Review plans and provide advice and guidance concerning the design of a public awareness and or marketing campaign designed to accelerate targeted consumer adoption of energy efficient technologies.
- 2) Other related ad hoc reviews as may be requested from time to time
- 3) Participation in meetings in Washington, D.C. and in Mongolia

The designated Consultant would be expected to coordinate with local authorities responsible for MCC Compact implementation as well as other donors, where relevant. However, the designated Consultant would report directly to the designated MCC COTR/PM.

#### **E. Deliverables**

The Consultant shall assist MCC in support and oversight of the Energy and Environment project in accordance with principles and expected results laid out in the Compact documents. The Consultant will provide services to MCC on an as needed basis, as required.

Deliverables: Ad hoc reports, information, or advice as may be requested by the COTR/PM.

#### **F. Performance Location**

This consultant will be required to perform work in Mongolia, at his or her home office, and MCC's Washington, D.C. office.

#### **G. Period of Performance**

The MCC contemplates award of a contract with a period of performance of 12 months.

#### **F. Evaluation Criteria**

The qualifications of the Consultant suited for this assignment include the following:

- (1) Technical knowledge of energy efficient residential building materials, appliances, testing protocols, and/or standard setting processes, especially with respect to insulation and heating systems;
- (2) Experience designing and/or managing residential energy efficiency programs, especially in developing countries; and

(3) MA level education in fields such as economics, engineering, policy analysis, and/or business administration.

Highly desired:

- (1) Experience living and/or working in developing countries, especially Asia;
- (2) Experience managing multi-disciplinary programs and/or teams; and
- (3) Mongolian and/or Russian language skills.

**How to Apply**

Interested parties should submit by email to [recruitment@mcc.gov](mailto:recruitment@mcc.gov) the following package: 1) Curriculum Vitae, 2) a brief cover letter that addresses the evaluation criteria and provides three professional references, and 3) Salary history with proposed hourly rate. Please include “Energy & Environment Support” in the subject line of your email.

The successful applicant will be selected by MCC and contracted through a third party who handles pay rolling and administration for MCC Consultants. There will be no commitment to a minimum or maximum amount of work during performance of the contract.

This announcement will expire on January 29, 2010.